

April 27, 2012

News Release

*For Immediate Release*

### **City Council Budget Workshops Begin May 1**

The Springfield City Council will use its Tuesday, May 1, lunch meeting to hold the first of several workshops to discuss the Fiscal Year 2013 Proposed Annual Budget. (The fiscal year runs July 1, 2012 – June 30, 2013.) The meeting begins at noon in the 4th floor conference room of the Busch Municipal Building.

Two more Council workshops are scheduled for noon on May 1, 8 and 15. Additional workshops will be scheduled if needed.

The full budget document is available online at [www.springfieldmo.gov](http://www.springfieldmo.gov). The proposed budget is put forth by the City Manager with extensive input from City staff. The workshops allow City Council time to discuss and consider the budget in detail and put forth any suggested changes. Council must approve a final budget before the new fiscal year begins on July 1.

The proposed budget is summarized in the City Manager's budget message to Council members at the beginning of the document. In it, City Manager Greg Burris said sales tax revenue, the City's primary source of revenue, is expected to increase 7% for the fiscal year ending June 30, 2012. While some of the increase is made up of growth in sales, it also includes one-time payments and increases due to Department of Revenue improvements in processing payments. Monitoring the top 100 taxpayers has given the City information to factor into the 2013 budget, an estimated **real growth of 4%**.

Use Tax revenue is projected to increase 3.5% over the amount received in FY 2011. Revenue from fees and fines, and payments in lieu of taxes (PILOT) from City Utilities fell short of budget and are budgeted to remain flat next year.

Highlights of the proposed budget include:

- **All front line positions in the Police and Fire Department fully funded.** When the Pension Sales Tax was proposed to voters in 2009, the City promised to restore funding to the Police and Fire Departments. Additionally, City Council set the full front-line staffing of these two public safety departments as a priority once the economic recovery would allow it to occur. FY 2012 was the second year this funding was restored. Police and Fire departments have been authorized to operate at full front-line strength during the entire fiscal year.
- **Required benefit increases and prior commitments**, including 13 firefighters – funded the past two years by a SAFER grant to be paid 100% from general fund in FY 2012, and 20 police officers funded by a COPS grant, which will transition to the General Fund over the next two and a half years. The budget also accommodates setting aside 20% of

the amount needed to fund prior service credit for Police and Fire employees who moved to LAGERS when the City's self-funded pension plan was closed.

- **The Health Department** will receive additional funding for the animal control program addressing this high-priority need in the community.
- **Capital equipment replacement:**  
Over the last several years, while struggling to balance the annual budget in a period of declining revenues, the replacement of capital equipment was deferred. In the general fund budget, funding is provided for critical equipment such as replacement of core switches and storage for the City's computer network. Available monies from the Level Property Tax Fund will be used to replace patrol vehicles, many of which were purchased 8-10 years ago.
- **Funding to some non-profit organizations:**  
This funding was mostly eliminated four years ago as revenues declined. The restored funding is mainly limited to funding for Community Partnership of the Ozarks to establish an Affordable Housing Office. This office will be comprised of local government, non-profits and public and private organizations. Funding is also provided for several neighborhood clean-up programs.
- **e-Plans program implementation:**  
Funding for an electronic alternative to working with printed plans that will allow developers and contractors 24/7 access to a secure, fast and convenient system to submit and track plans. The system will eliminate the need to print and deliver paper plans, saving time and money. The FY 2013 budget includes funding to address staffing needs in the Building Development Services Department and maintenance cost for the required software.
- **16 additional positions for the Clean Water Services division** of the Environmental Services Department and bond payments on approximately \$30 million of Special Obligation Bonds expected to be issued in the last quarter of FY 2012. This is response to environmental regulatory mandates. A Citizen's Wastewater Task Force recommended a structure of rate increases that are sufficient to fund additional staffing, repayment of the bonds and build reserves in the Clean Water Services Fund. These items will not be funded from the General Fund.
- **Human Resources: Plans include continuing merit step increases** for those employees who are eligible and a 1.5% across-the-board increase in employee pay. The budget also includes funding to expand the City **employee wellness program**. Wellness programs are proven to show both a return on investment and increased productivity. Finally, the budget accounts for **expected increase in the City's contributions toward in workers compensation, health insurance and LAGERS**.

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